



Presentation of 2013 results

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Highlights for 2013 and Q4/2013

Highlights
Tanker market
Dry bulk market
Finance

2013 Results

- Full year EBITDA of USD 96m (Up USD 291m compared to 2012), and Q4 had a positive EBITDA of USD 25m
- Profit before tax of USD -166m, which is fully aligned with guidance
- Positive operating cash flow of USD 68m after full interest payments of USD 55m
- Effects materializing from the restructured time charter fleet and TORM's cost program

Tanker

- Freight rates benefitted in Q4/2013 from arbitrage trades of e.g. gasoline, middle distillates and naphtha
- TORM well positioned for the market improvements
- Divisional 2013 EBITDA of USD 126m (2012: USD -20m) and Q4 EBITDA of USD 24m (2012: USD 5m)

Bulk

- Freight rates improved in Q4/2013 from the seasonal restocking of especially iron ore in China
- Divisional 2013 EBITDA of USD -30m (2012: USD -25m) and Q4 EBITDA of USD 1m (2012: USD -13m)
- Scaling down of bulk activities completed

Sale & Purchase

- Prices for modern tonnage trended upwards in 2013 supported by an improving spot market

Guidance for FY2014

- EBITDA forecast for 2014 is positive by USD 90-130m
- Forecast on loss before tax is USD 70-110m
- TORM expects to remain in compliance with the financial covenants for 2014



Full year 2013 results

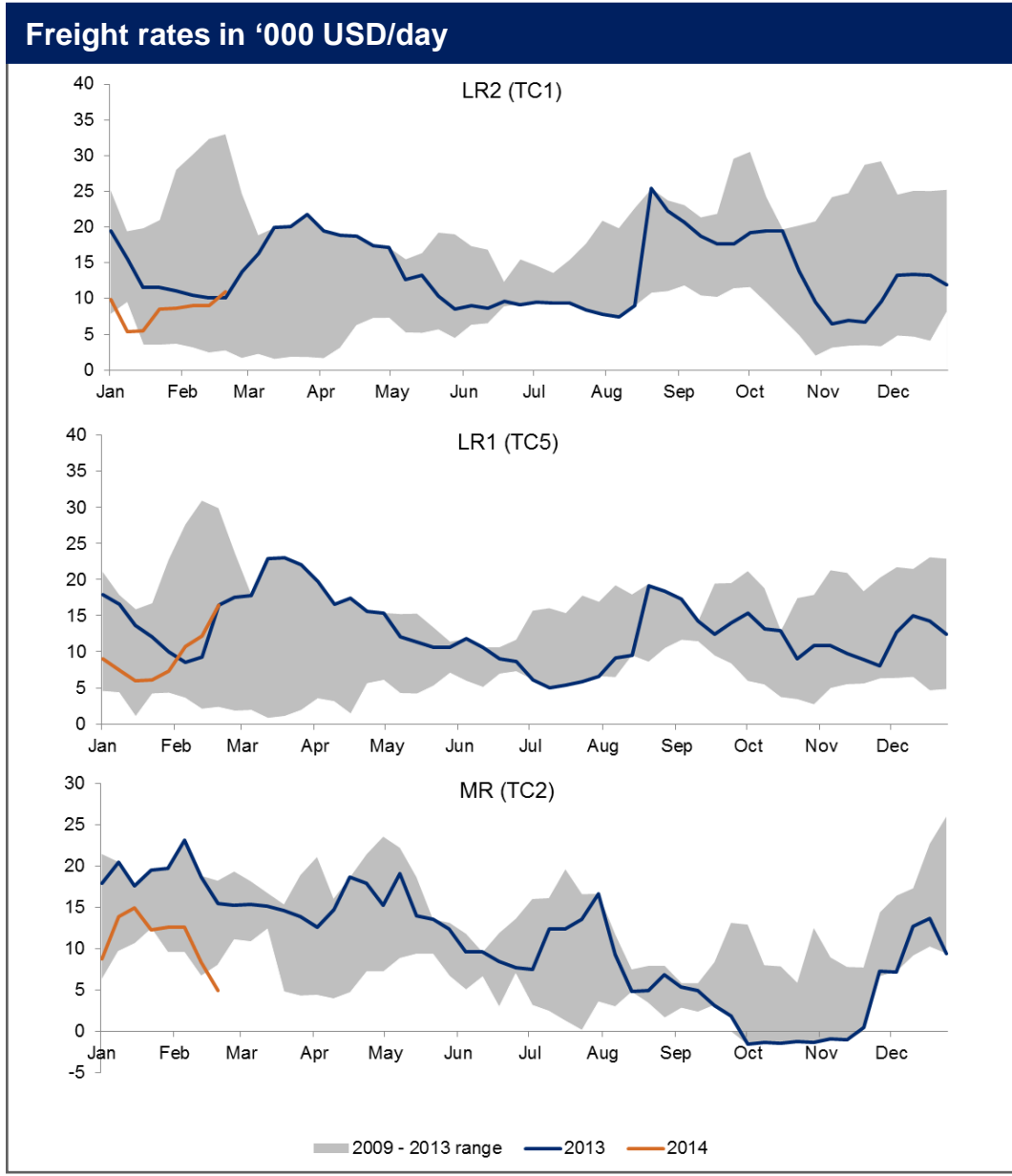
Highlights
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Finance



USDm	2013	2012	2011	2010
P&L				
Gross profit	150	(93)	81	180
Sale of vessels	0	(26)	(53)	2
EBITDA	96	(195)	(44)	97
Profit before tax	(166)	(579)	(451)	(136)
Balance				
Equity	118	267	644	1,115
NIBD	1,718	1,868	1,787	1,875
Cash and cash equivalents	29	28	86	120
Cash flow statement				
Operating cash flow	68	(100)	(75)	(1)
Investment cash flow	93	0	168	(187)
Financing cash flow	(161)	42	(128)	186

- TORM results fully in line with guidance:
 - 2013 EBITDA of USD 96m (up USD 291m y-o-y)
 - 2013 Profit before tax of USD -166m
- Operational result driven by
 - Gradually improving freight rates in product tanker
 - Effects of TORM's cost program and the restructured time charter fleet
- Positive operating cash flow of USD 68m after all interest payments

Product tanker freight rates



LR1 and LR2

- Positive effects in Q4:
 - Naphtha arbitrage into the East
 - Increasing US Gulf exports moving towards larger vessels
- Negative effects in Q4:
 - Continued oversupply from vessels having cleaned up during the year
 - Middle distillate arbitrages from East to West were mostly limited

MR

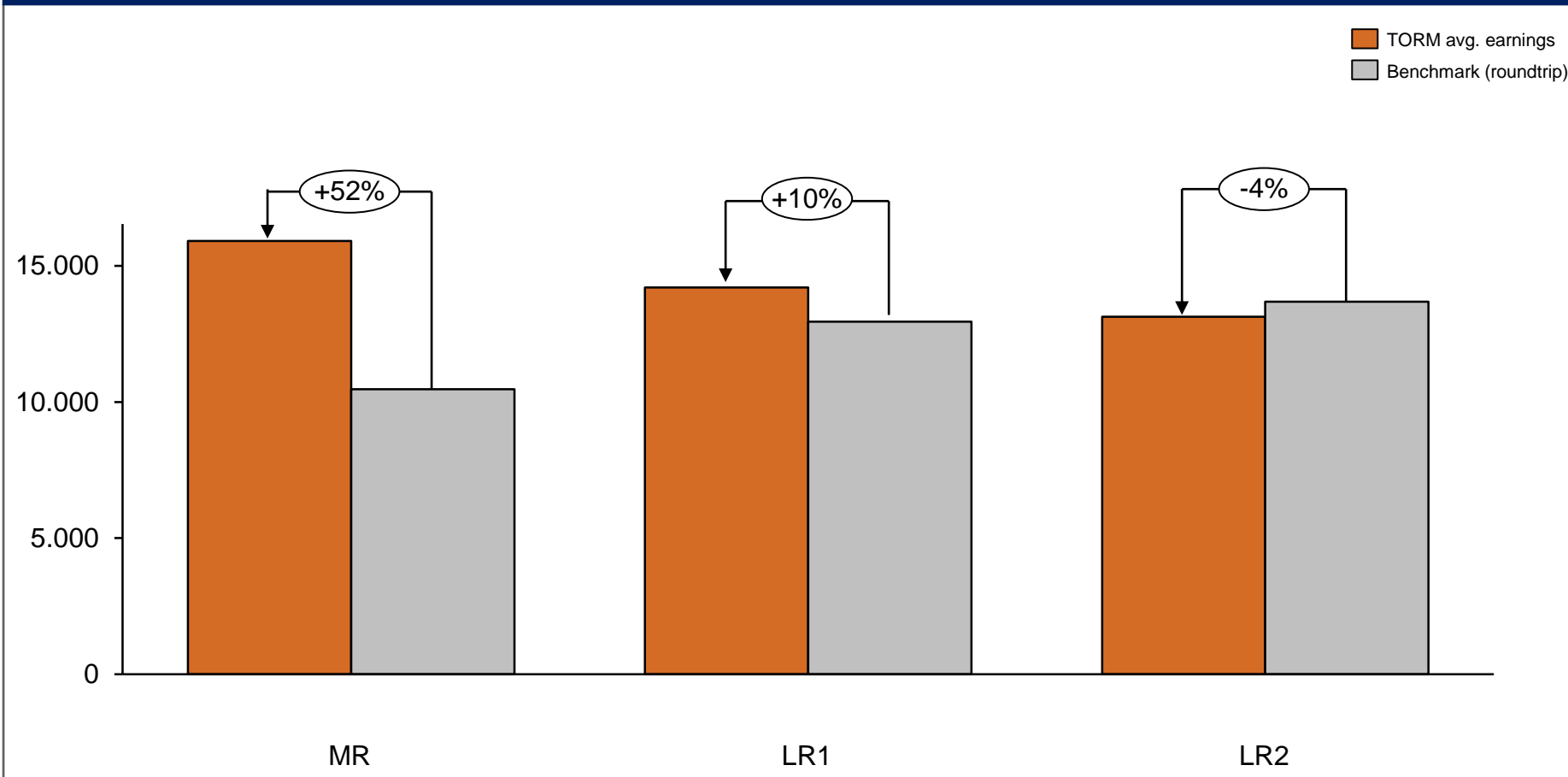
- Positive effects in Q4:
 - Increased US export
 - Improved East market in October and November
- Negative effects in Q4:
 - MR US Gulf market cannibalized by LR2
 - Chinese explosion reducing intra-Asia activity
 - Effect from US Ad valorem tax had less effect than in recent years
 - Tonnage supply



Tanker Division spot rates versus benchmarks



TORM spot vs. benchmark last 12 months (USD/day)



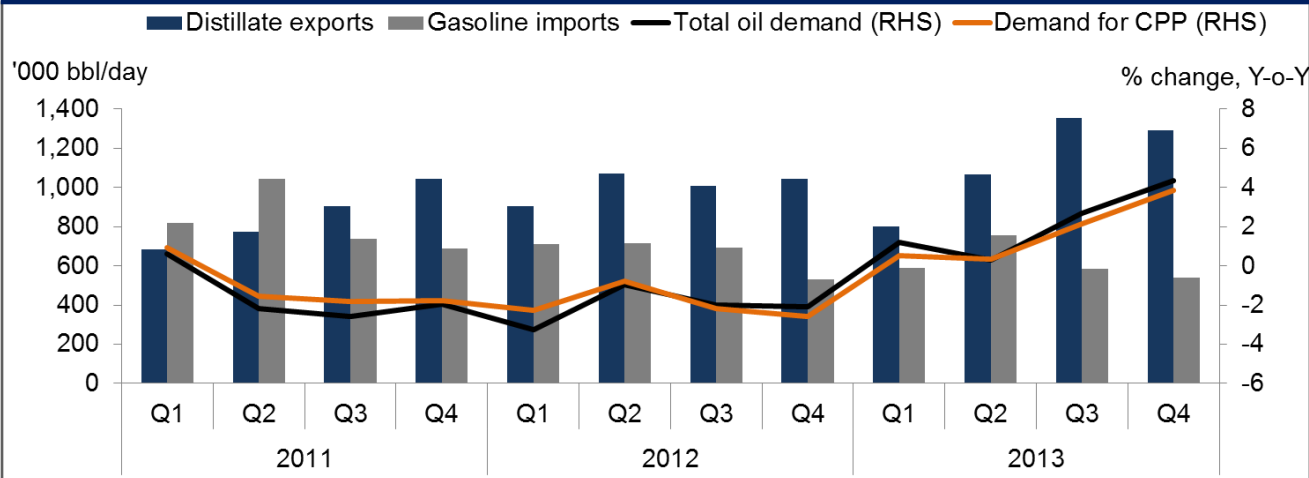
Note: Benchmarks are not one-to-one comparisons as they do not take broker commission, armed guards and low sulphur fuel cost into account

Source: Clarksons, Spot earnings: LR2: TC1 (Ras Tanura-> Chiba), LR1: TC5 (Ras Tanura-> Chiba) MR: TC2 (Rotterdam -> NY)

Refinery expansions favors long-haul product trades and are expected to outweigh slow oil demand growth

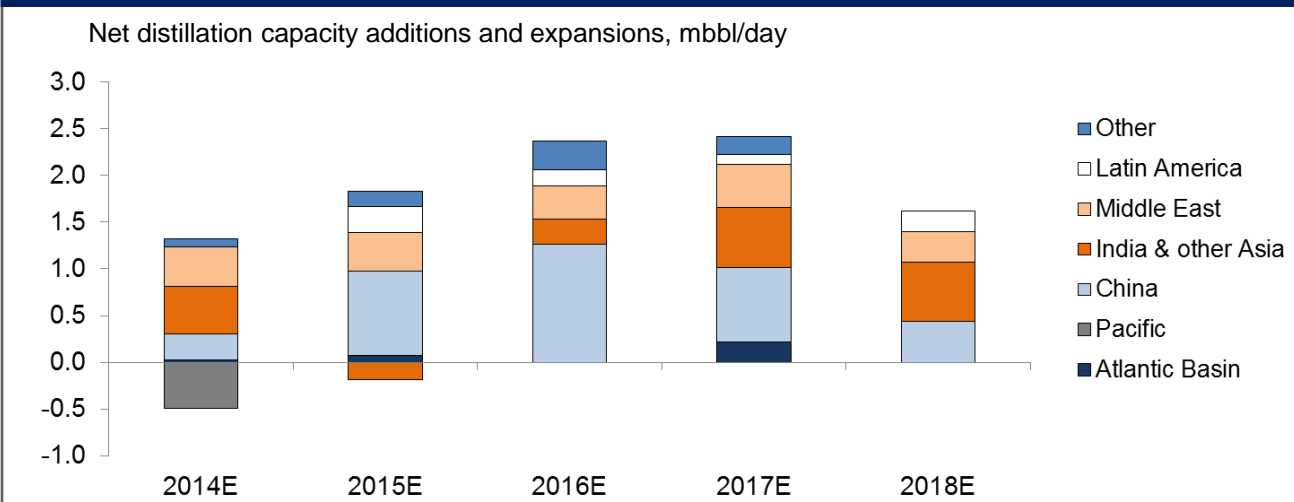


US distillate exports all-time high while gasoline imports declining



- US demand for oil products picked up in Q4, bringing the overall growth for 2013 at an estimated 390 kbbbl/day (2.1%), exceeding China's demand growth in absolute terms
- US demand growth was largely driven by the petrochemical sector, and exports of clean oil products gained 12% in 2013
- Despite higher domestic demand, US gasoline imports continued to decline – displaced flows are expectedly redirected to Asia, Latin America and Africa

Refinery expansions favoring tonne-mile

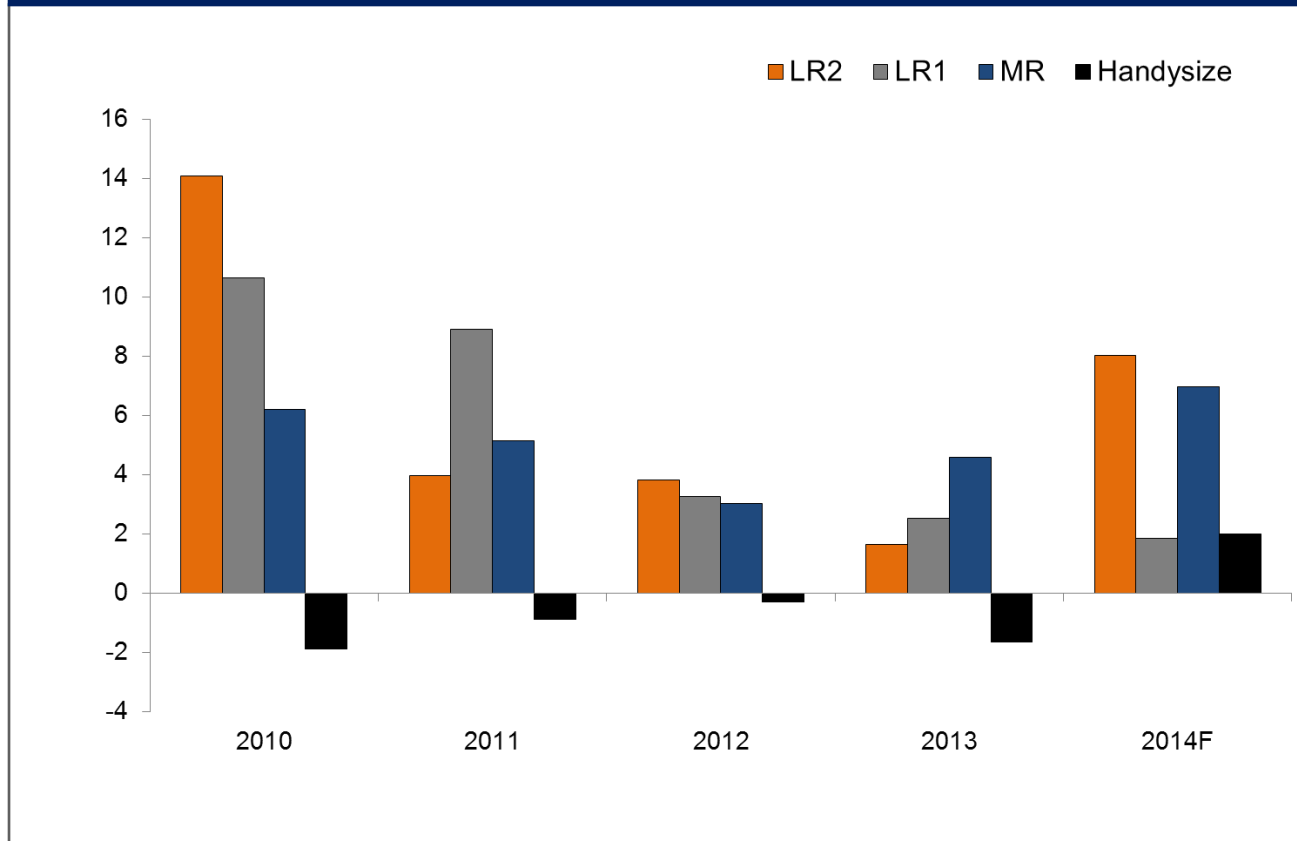


- Longer-haul product movements from increasing refinery capacity in the Middle East and India are favored by expected closure of non-competitive refining capacity and utilization cuts in Europe
- Full opening of Saudi Arabia's export-oriented Jubail refinery with a capacity of 400,000 b/d will give a further boost to the product trade in 2014
- Closure of refinery capacity in the Pacific basin is expected to support the intra-Asian trade

Supply outlook for the product tanker fleet



Net fleet growth y-o-y in % of total fleet (no. of vessels)



- After a modest 2.4% growth in 2013, the total product tanker fleet growth is expected to gather momentum in 2014, averaging 5.1% (in terms of no. of vessels)
- Higher fleet growth in 2014 reflects higher deliveries for all segments except for LR1 compared to 2013, although some delivery slippage is likely
- Scrapping will mostly impact the Handysize segment

Note: Increase calculated basis number of vessels. The number of vessels by the beginning of 2013 was: LR2 219, LR1 341, MR 1,293, Handy 685

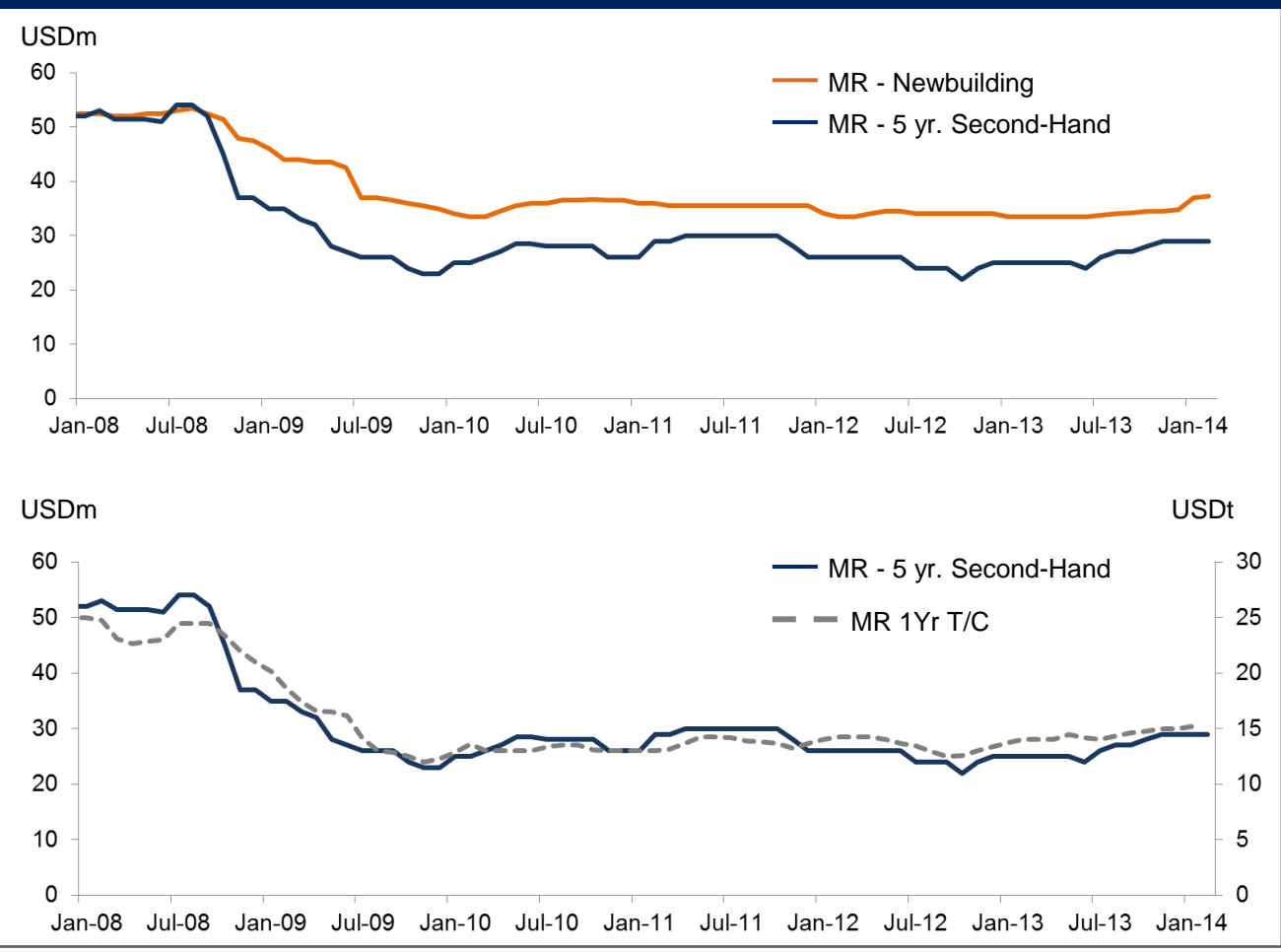
Note: Net fleet growth: Gross order book adjusted for expected scrapping

Source: TORM Research

Product tanker vessel prices increasing with S&P activity



Vessel price development

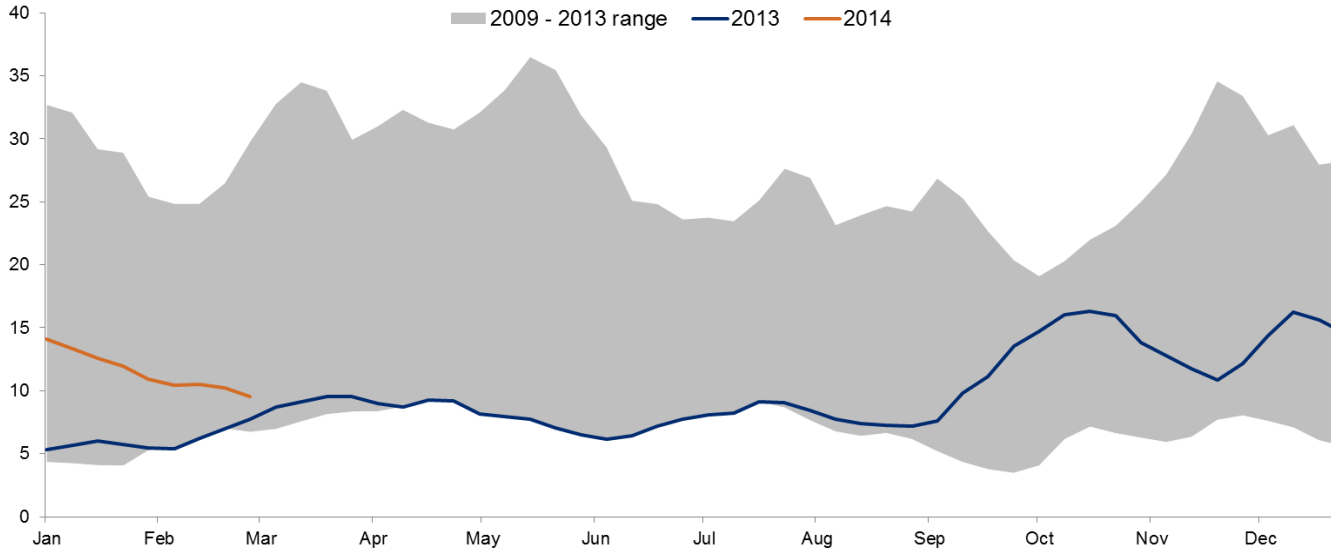


- In terms of capacity, the product tanker ordering activity gained 71% in Q4 compared to Q3
- MRs and LR2s continued to account for the majority of newbuilding orders, but also the ordering of Handysize vessels picked up
- Increased demand at especially top-tier shipyards pushed MR newbuilding prices up by 10% during 2013
- MR second-hand prices increased by approximately 16% during 2013, underpinned by improvements in time charter rates

Dry bulk market

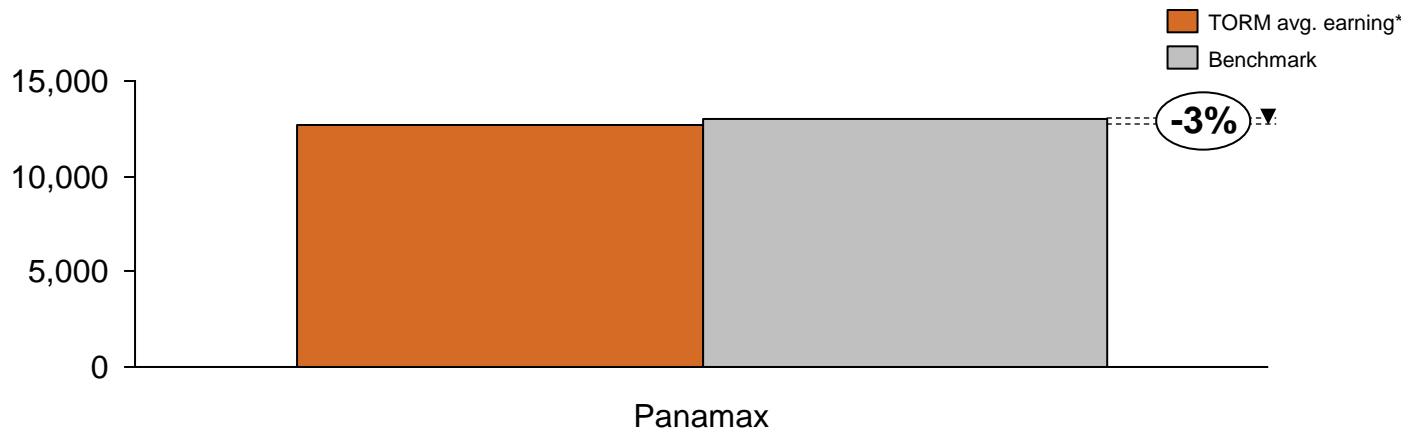


Panamax freight rates in '000 USD/day



- During 2H/2013, the bulk market has improved mainly driven by demand from the Chinese steel sector and the global grain trade
- In Q4/2013, the average Panamax spot market increased by 60% compared to the average of Q3/2013
- The 1-year time charter rate moved between USD/day 12,000 and 14,000 during Q4/2013 for a standard 75,000 dwt Panamax

TORM TCE vs. 1-year TC rate Q4 2013 (USD/day)

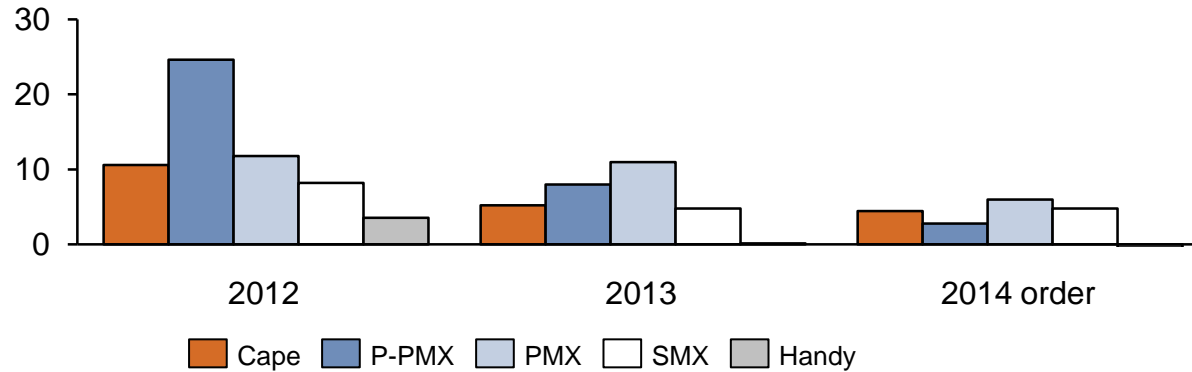


* TORM's earnings are net of commissions whereas benchmark is a gross freight rate
Source: Clarksons

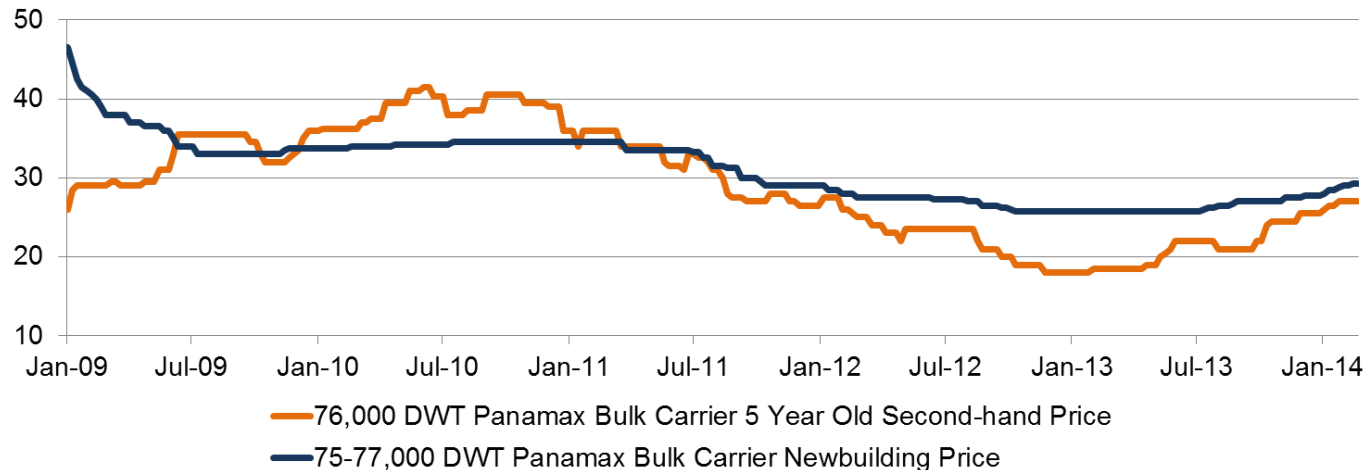
Dry bulk order book and vessel prices



Net fleet growth y-o-y as percent of existing fleet primo 2013*



Panamax newbuilding and second-hand prices (USDm)



* Calculated basis dwt. Number of vessels primo 2013: Cape 1,388; P-PMX 473; PMX 1,718, SMX 2,885; Handy 2,929.
Source: TORM Research, Clarksons

TORM has a fully integrated business model

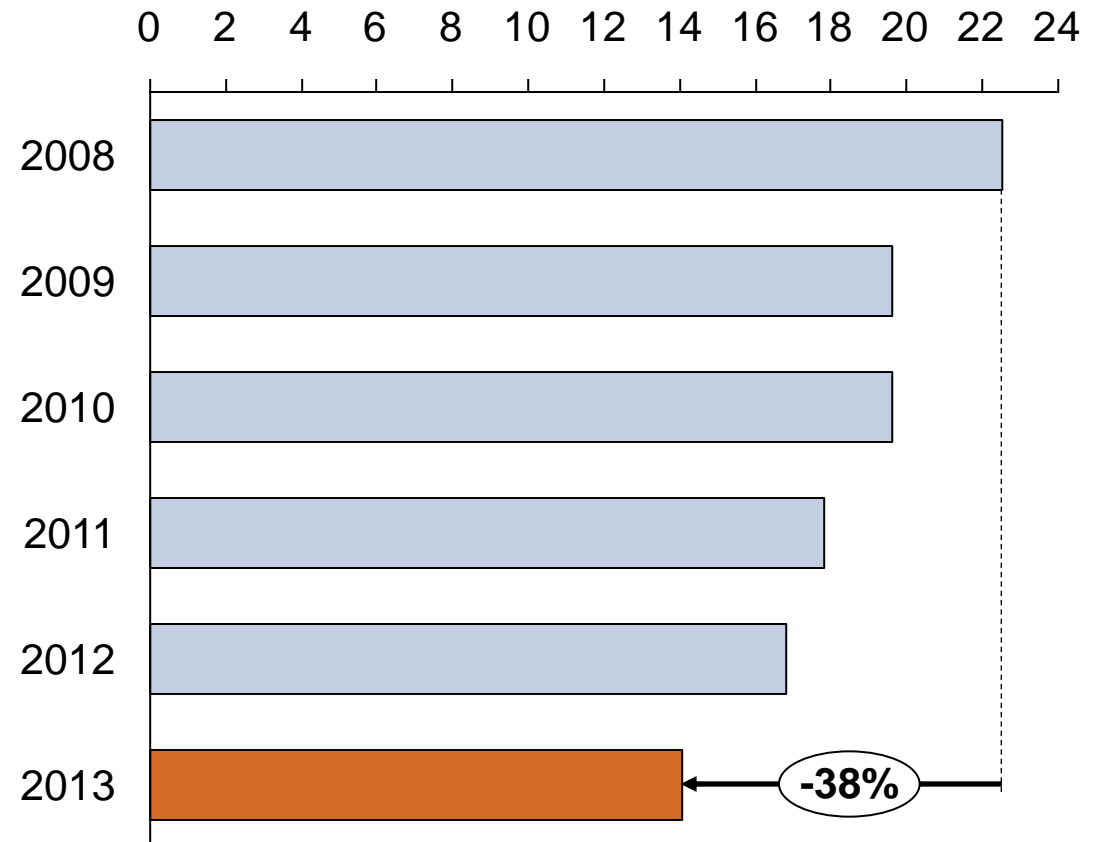


TORM has maintained a fully integrated business model...

- TORM has a fully integrated business model to obtain the highest possible
 - trading flexibility
 - earning power
- TORM manages
 - ~100 vessels commercially
 - 65+ vessels technically
- Global reach ensures proximity to customers
- Outsourced technical and commercial management would affect other line items of the P&L

... but TORM's cost program has trimmed admin expenses significantly

Admin. expenses (quarterly avg. in USDm)



TORM's financial position incl. changed minimum instalment schedule



Liquidity

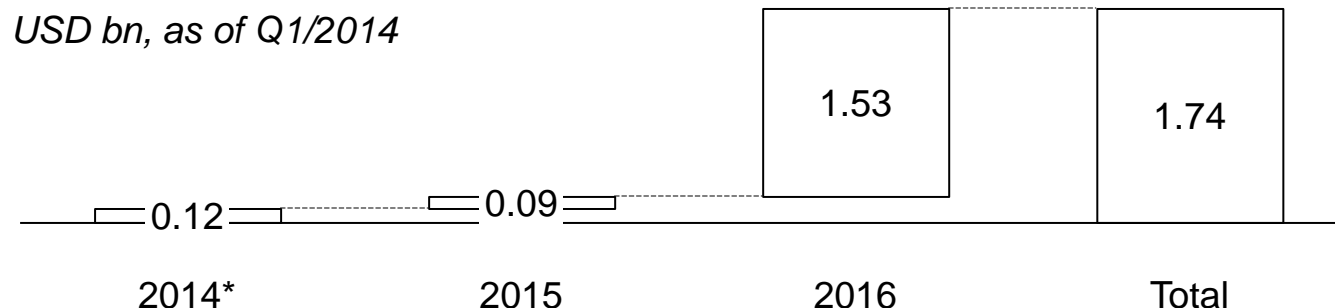
- As at 31 December 2013, TORM's available liquidity was USD 107m consisting of
 - USD 29m in cash
 - USD 78m in undrawn working capital facility

Newbuilding CAPEX

- TORM has no newbuildings on order

Debt situation

- TORM has a total debt of USD 1.7bn incl. drawn part of working capital facility
- A minimum instalment schedule adjusted to commence in Q1/2015 and onwards (cash sweep mechanisms in place)
- TORM has this far fulfilled its obligation under the loan documentation and guidance for 2014 includes full compliance with all financial covenants



Costs

- Positive effects from the restructured time charter fleet and the Company's cost program continues

* Repayment of drawn part of working capital facility (USD 0,01bn) and repayment of debt (USD 0,11bn) related to four vessels held-for-sale

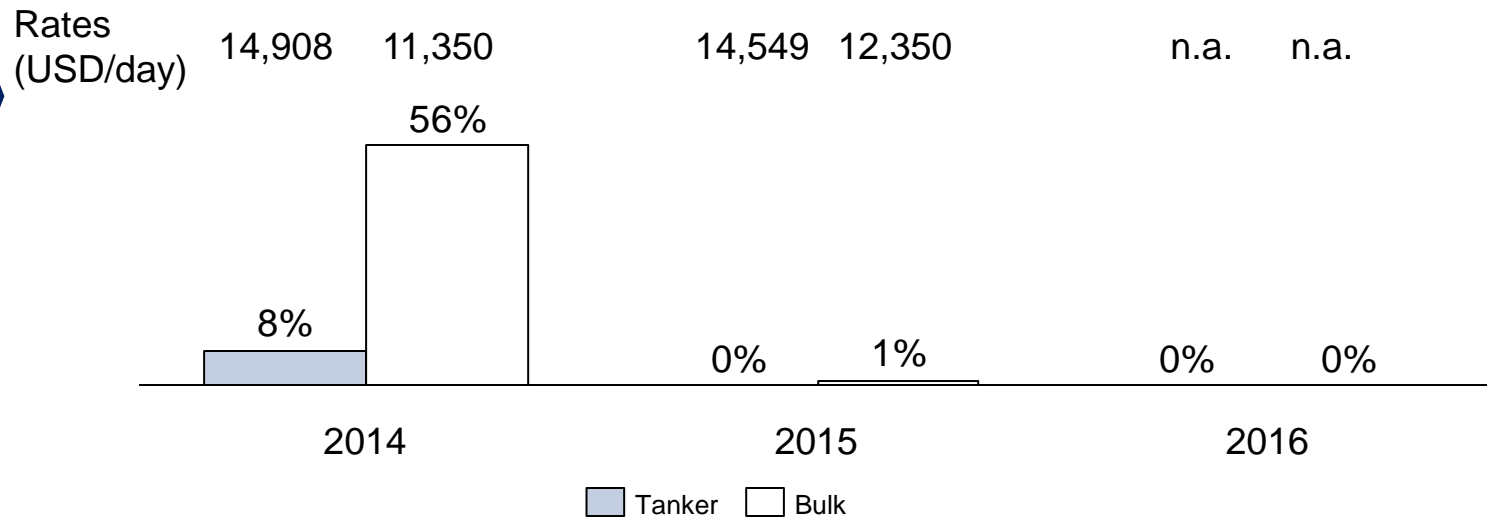
TORM's forecast for 2014



2014 forecast

Forecasts for 2014		Total, USDm
EBITDA		90 to 130
Profit before tax		-70 to -110

Coverage per 31 December 2013



Earnings sensitivity for 2014

USDm Segment	Change in freight rates (USD/day)			
	-2,000	-1,000	1,000	2,000
Tankers	-40	-20	20	40
Bulk	-3	-1	1	3
Total	-42	-21	21	42

Appendix



TORM at a glance

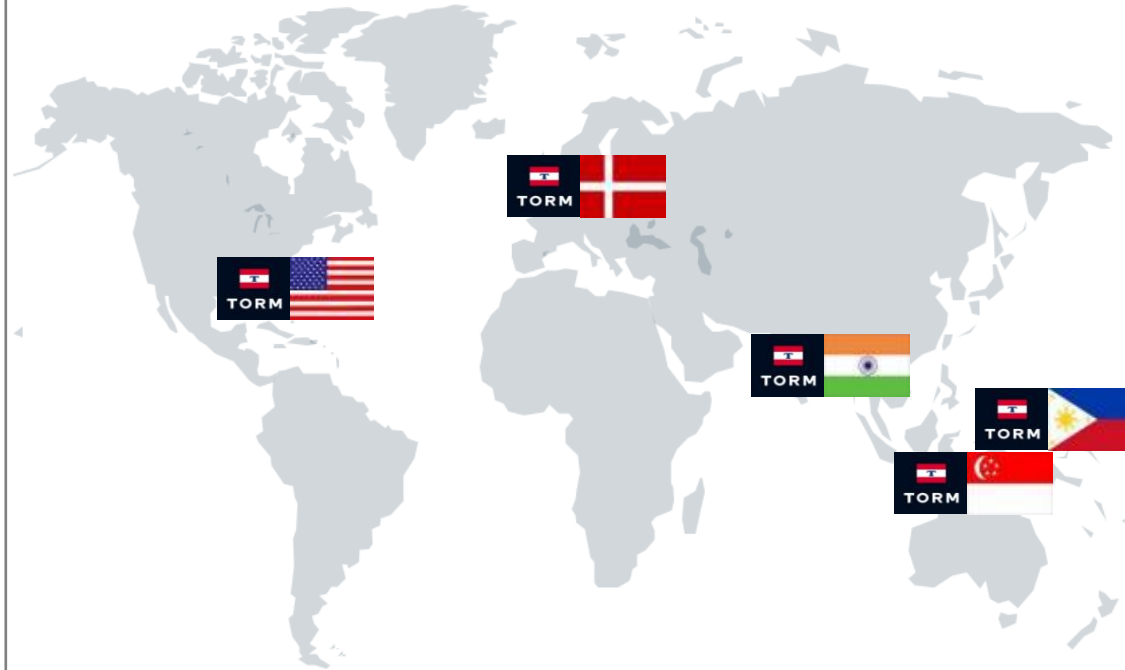
Key facts

A world leading product tanker company

- 125 years of history
- A leading product tanker owner
- Presence in dry bulk as operator

Listed on NASDAQ OMX
Copenhagen

Global footprint based on regional power and presence



TORM employees:

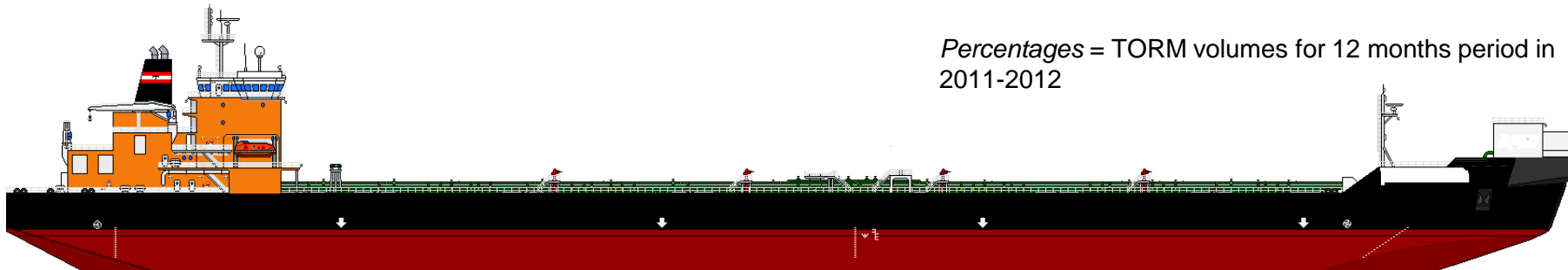
TORM Offices: ~275

Seafarers: ~2,900

- 1,400 Indian seafarers
- 1,150 Filipino seafarers
- 250 Danish seafarers
- 100 Croatian seafarers



Product tankers have coated tanks and have specially designed cargo systems with flexibility to transport a wide range of different products



Percentages = TORM volumes for 12 months period in 2011-2012

Crude oils	Fuel oils	Diesels	Gas oils / Gasolines	Karosenes / Jet fuel	Clean condensates	Naphthas	MTBEs	Veg. oils	Biofuel	Ethanol
~14%	~12%	~7%	~38%	~9%	~3%	~15%	~0%	~1%	~0%	~0%

"Dirty products"

Less refined "clean products"

More refined "clean products"

Management team with an international outlook and many years of shipping experience



Executive Management



Jacob Meldgaard

- CEO of TORM since April 2010
- Previously Executive Vice President of the Danish shipping company NORDEN where he was in charge of the company's dry cargo division
- Prior to that he held various positions with J. Lauritzen and A.P. Møller-Mærsk
- More than 20 years of shipping experience



Mads Peter Zacho

- CFO of TORM since September 2013
- Previously CFO of the Danish shipping company Svitzer, a member of the A.P. Møller-Mærsk and prior to that Deputy Head of Group Finance with A.P. Moller Maersk
- Prior to being recruited to A.P. Møller-Mærsk, he was with Nordea in Copenhagen
- In shipping since 2004

Senior Management



Tina Revsbech

- Head of Tanker Division



Lars Christensen

- Head of Sale & Purchase Division



Claus U. Jensen

- Head of Technical Division



Christian Riber

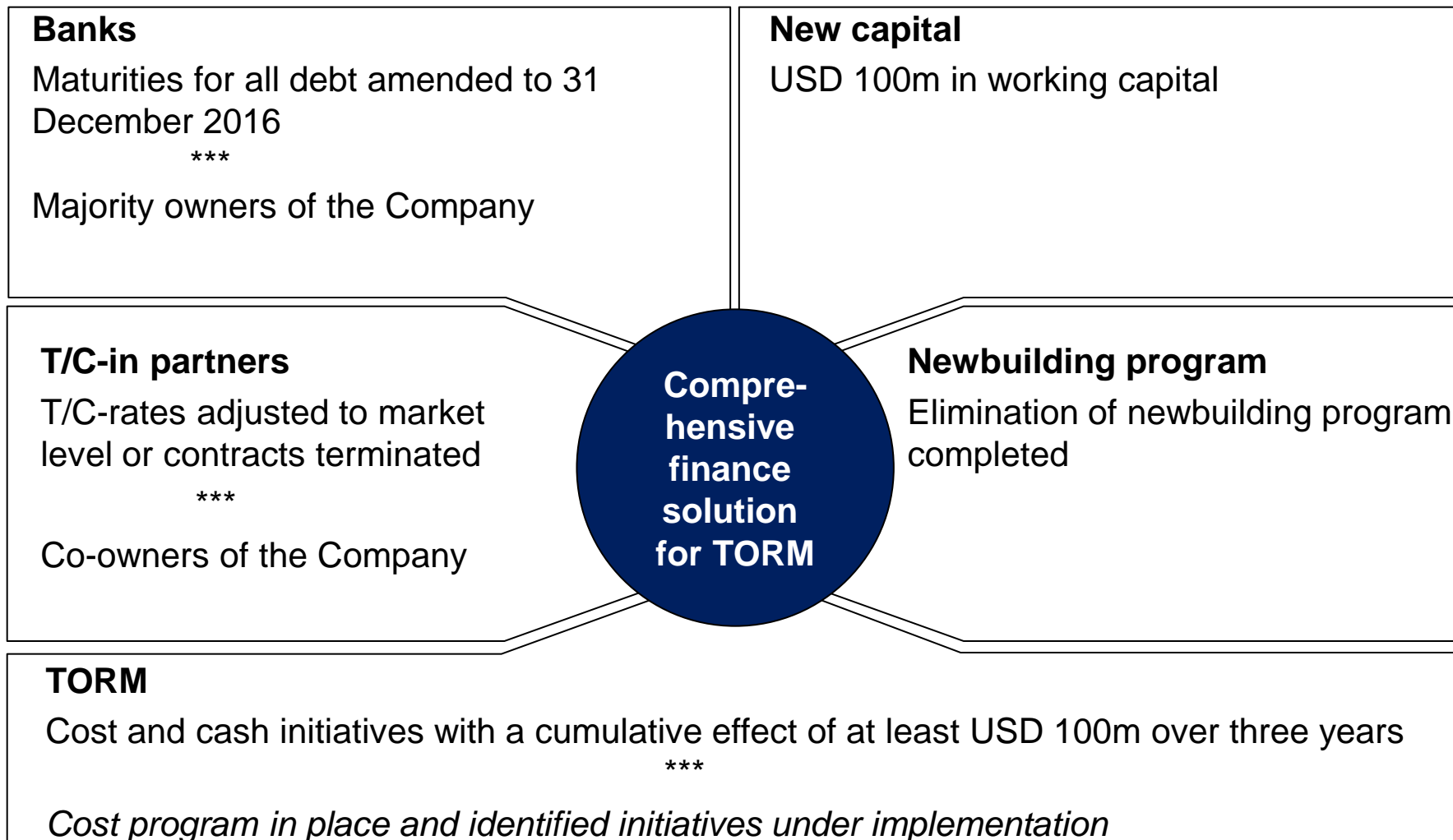
- Head of Human Resources



Christian Søgaard-Christensen

- Head of IR and Corp. Support

TORM completed the restructuring with banks and time charter partners on 5 November 2012



The TORM share

Share information

TORM's shares are listed on NASDAQ OMX Copenhagen under the ticker TORM

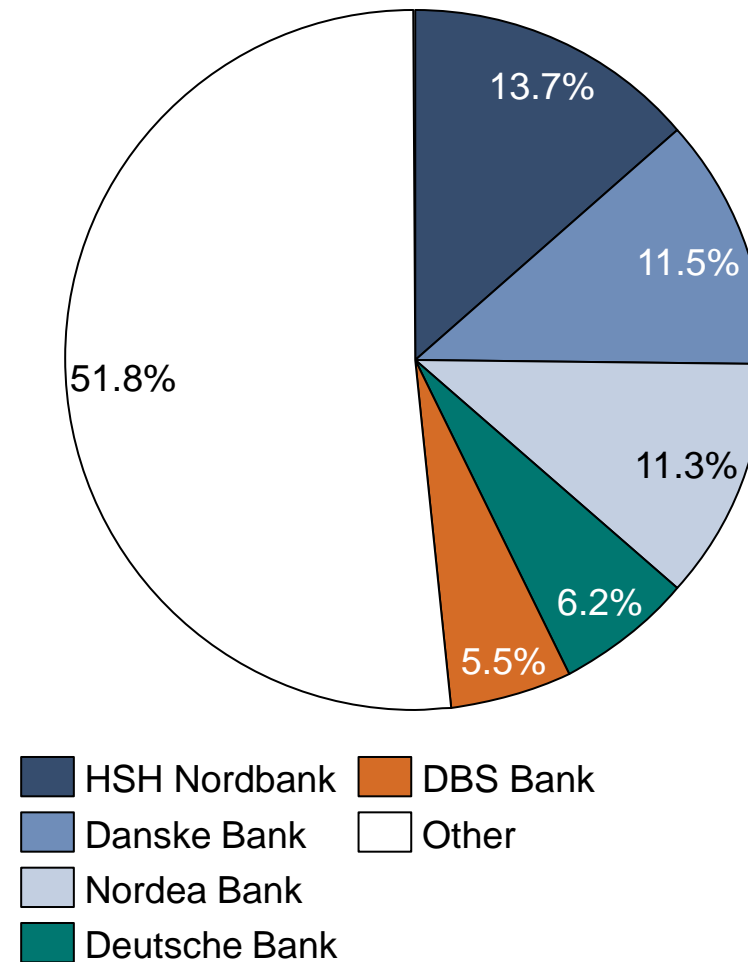
In July 2013, TORM delisted the ADR-program from NASDAQ Capital Markets, USA, (ticker "TRMD")

Shares

- One class of shares, each carrying one vote
- Share capital of 728m shares of DKK 0.01 each

For further company information, visit TORM at www.torm.com

Ownership structure (31 December 2013*)



TORM

Industry cooperation and transparency is key to TORM's Corporate Social Responsibility



TORM is actively participating in...



- UN Global Compact – TORM became signatory to the UNGC in 2009 as the first Danish shipping company



- Maritime Anti Corruption Network – TORM is founding member of a global business network working towards a maritime industry free of corruption that enables fair trade

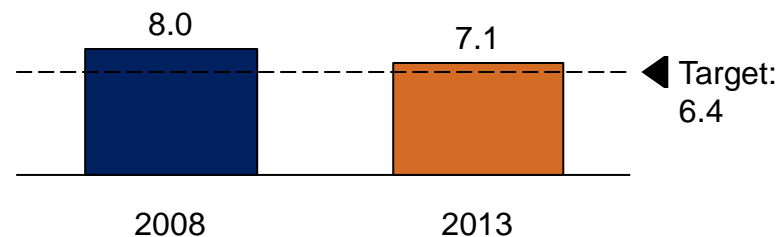


- Danish Shipowners' Association - As part of DSA, TORM is pushing for international regulation and standards on e.g. emissions through the International Maritime Organization

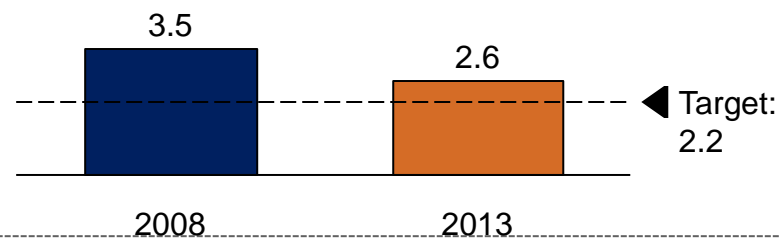
TORM has set and communicated on climate targets

Set climate targets:

- 20% reduction of CO₂ emissions pr. vessel by 2020 (starting point in 2008), in g/ton-km



- 25% reduction of CO₂ emissions from offices per employee by 2020 (starting point in 2008), ton-employee



Detailed key figures overview

USDm	2013	2012	2011	2010	2009	2008
Revenue	992	1,121	1,305	856	862	1,184
EBITDA	96	(195)	(44)	97	203	572
Profit/(loss) before tax	(166)	(579)	(451)	(136)	(19)	360
Balance						
Total assets	2,008	2,355	2,779	3,286	3,227	3,317
Equity	118	267	644	1,115	1,247	1,279
NIBD	1,718	1,868	1,787	1,875	1,683	1,550
Cash and cash equivalents	29	28	86	120	122	168
Cash flow statement						
Operating cash flow	68	(100)	(75)	(1)	116	385
Investment cash flow	93	0	168	(187)	(199)	(262)
Financing cash flow	(161)	42	(128)	186	37	(59)
Financial related key figures						
EBITDA margin	10%	-17%	-3%	11%	24%	48%
Equity ratio	6%	11%	23%	34%	39%	39%
Return on invested capital (ROIC)	-5%	-20%	-14%	-3%	2%	16%



Large and modern fleet

# of vessels	Current fleet			Newbuildings and T/C-in deliveries with a period >= 12 months	
	Q3 2013	Changes	Q4 2013	2014	2015
Owned vessels					
LR2	8.0	-	8.0		
LR1	7.0	-	7.0		
MR	34.0	-	34.0	-4.0	
Handysize	11.0	-	11.0		
Tanker Division	60.0	-	60.0	-4.0	-
Panamax	2.0	-	2.0		
Handymax		-	-		
Bulk Division	2.0	-	2.0	-	-
Total	62.0	-	62.0	-4.0	-
T/C-in vessels with contract period >= 12 months					
LR2	2.0	-	2.0		
LR1	-	-	-		
MR	3.0	-	3.0		
Handysize	-	-	-		
Tanker Division	5.0	-	5.0	-	-
Panamax	6.0	-1.0	5.0		
Handymax	1.0	-	1.0		
Bulk Division	7.0	-1.0	6.0	-	-
Total	12.0	-1.0	11.0	-	-
T/C-in vessels with contract period < 12 months					
LR2					
LR1					
MR					
Handysize					
Tanker Division	-	-	-		
Panamax	5.0	-4.0	1.0		
Handymax	5.0	-3.0	2.0		
Bulk Division	10.0	-7.0	3.0		
Total	10.0	-7.0	3.0		
Pools/commercial management	25.0	1.0	26.0		
Total fleet	109.0	-7.0	102.0		



Earning days, T/C cost and coverage for 2014, 2015 and 2016



Owned days

	2014	2015	2016	2014	2015	2016
	Owned days					
LR2	2,895	2,880	2,902			
LR1	2,470	2,495	2,546			
MR	10,872	10,765	10,790			
Handysize	3,904	3,883	3,960			
Tanker Division	20,141	20,022	20,198			
Panamax	697	726	728			
Handymax	-	-	-			
Bulk Division	697	726	728			
Total	20,838	20,748	20,926			

T/C-in days at fixed rate

	T/C-in days at fixed rate			T/C-in costs, USD/day		
LR2	-	-	-	-	-	-
LR1	-	-	-	-	-	-
MR	713	726	104	15,129	15,895	16,000
Handysize	-	-	-	-	-	-
Tanker Division	713	726	104	15,129	15,895	16,000
Panamax	1,836	1,676	760	12,432	12,225	11,000
Handymax	91	-	-	11,127	-	-
Bulk Division	1,927	1,676	760	12,371	12,225	11,000
Total	2,640	2,402	864	13,116	13,335	11,600

T/C-in days at floating rate

	T/C-in days at floating rate					
LR2	726	726	684			
LR1	-	-	-			
MR	-	-	-			
Handysize	-	-	-			
Tanker Division	726	726	684			
Panamax	-	-	-			
Handymax	363	363	13			
Bulk Division	363	363	13			
Total	1,089	1,089	697			

Total physical days

	Total physical days			Covered days		
LR2	3,621	3,606	3,586	481	6	-
LR1	2,470	2,495	2,546	224	-	-
MR	11,585	11,491	10,894	832	-	-
Handysize	3,904	3,883	3,960	130	-	-
Tanker Division	21,580	21,474	20,985	1,666	6	-
Panamax	2,533	2,402	1,488	1,574	23	-
Handymax	454	363	13	89	-	-
Bulk Division	2,987	2,765	1,501	1,663	23	-
Total	24,567	24,239	22,486	3,329	29	-

Coverage

	Covered, %			Coverage rates, USD/day		
LR2	13%	0%	0%	13,719	14,549	-
LR1	9%	0%	0%	15,438	-	-
MR	7%	0%	0%	14,942	-	-
Handysize	3%	0%	0%	18,185	-	-
Tanker Division	8%	0%	0%	14,908	14,549	-
Panamax	62%	1%	0%	11,051	12,350	-
Handymax	20%	0%	0%	16,637	-	-
Bulk Division	56%	1%	0%	11,350	12,350	-
Total	14%	0%	0%	13,131	12,785	-



TORM